

**UNIFIED GREELEY COUNTY -
MUNICIPAL SERVICES DISTRICT**

***Regulatory Basis
Financial Statement***

For the Year Ended December 31, 2016

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT

**Regulatory Basis
Financial Statement**

For the Year Ended December 31, 2016

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UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT

Regulatory Basis Financial Statement

For the Year Ended December 31, 2016

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INDEPENDENT AUDITOR'S REPORT

Unified Board of Supervisors
Unified Greeley County – Municipal Services District
Tribune, Kansas

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified Greeley County – Municipal Services District, as of and for the year ended December 31, 2016, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by Unified Greeley County – Municipal Services District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* of the State of Kansas, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified Greeley County – Municipal Services District as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified Greeley County – Municipal Services District as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

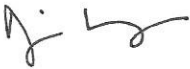
Supplemental Information

My audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget and individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is

fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Prior Year Comparative Analysis

The 2015 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and was not a required part of the 2015 basic financial statement upon which I rendered an unmodified opinion dated July 29, 2016. The 2015 basic financial statement and my accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services/>. Such 2015 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 basic financial statement. The 2015 comparative information was subjected to the auditing procedures applied in the audit of the 2015 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2015 basic financial statement or to the 2015 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the 2015 comparative information is fairly stated in all material respects in relation to the 2015 basic financial statement as a whole, on the basis of accounting described in Note 1.



James V. Myers
Certified Public Accountant

June 23, 2017

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Summary Statement of Receipts, Expenditures and Unencumbered Cash

Regulatory Basis

For the Year Ended December 31, 2016

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General Fund:						
General Fund	\$ 427,330	\$ 457,098	\$ 504,059	\$ 380,369	\$ -	\$ 380,369
Special Purpose Funds:						
Special street construction	65,304	20,797	20,972	65,129	-	65,129
Special parks and recreation	4,327	-	388	3,939	-	3,939
Special street machinery	22,557	-	7,880	14,677	-	14,677
Capital improvements	453,272	-	-	453,272	-	453,272
Municipal equipment reserve	375,838	50,000	44,122	381,716	-	381,716
Bond and Interest Fund:						
Bond and interest	-	-	-	-	-	-
Business Funds:						
Waterworks	122,060	236,872	255,315	103,617	72	103,689
Sanitation	39,336	109,227	117,757	30,806	-	30,806
Sewer	31,852	42,921	38,658	36,115	-	36,115
Waterworks reserve	354,096	38,009	10,482	381,623	-	381,623
Sanitation reserve	258,656	40,000	17,022	281,634	-	281,634
Sewer reserve	151,439	10,000	-	161,439	-	161,439
Total Reporting Entity	\$ 2,306,067	\$ 1,004,924	\$ 1,016,655	\$ 2,294,336	\$ 72	\$ 2,294,408
Composition of Cash:						
				Petty cash		\$ 150
				Checking accounts		5,043
				Savings account		1,748
				Money market account		747,467
				Certificates of deposit		1,540,000
				Total Reporting Entity		<u>\$ 2,294,408</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENT For the Year Ended December 31, 2016

Note 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

In 2008, the voters of Greeley County and the City of Tribune approved a plan to unify their governments as of January 1, 2009. One board oversees both governments. Greeley County became Unified Greeley County - General Services District (UGC - GSD) and the City of Tribune became Unified Greeley County - Municipal Services District (UGC - MSD). Unified Greeley County (UGC) is a third entity that pays all bills for both districts with reimbursements from the two districts. UGC - GSD and UGC - MSD have separate tax bases and separate budgets.

Unified Greeley County - Municipal Services District is a municipal corporation governed by an elected five-member board. The board consists of two members elected from outside the limits of the City of Tribune, two members elected from within the limits of the City of Tribune, and one member elected at large. This regulatory financial statement presents UGC - MSD, the primary government. UGC - MSD does not have any related municipal entities.

B. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Note 1: Summary of Significant Accounting Policies (continued)

C. Regulatory basis fund types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by UGC – MSD:

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Funds – used to account for the accumulation of resources, including tax levies, transfers from other funds, and payment of general long-term debt.

Business Funds – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

D. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by UGC – MSD (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments in the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the general fund.

E. Property taxes

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Note 1: Summary of Significant Accounting Policies (continued)

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed by June 5th.

F. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

G. Reimbursements

A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, UGC – MSD records an expenditure in the reimbursing fund, and a reduction of expenditure in the reimbursed fund, following the authoritative guidance provided under KMAAG regulatory basis accounting.

Note 2: Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

Note 2: Budgetary Information (continued)

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budget expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Special Street Machinery Fund
Capital Improvements Fund
Municipal Equipment Reserve Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note 3: Deposits & Investments

K.S.A. 9-1401 establishes the depositories which may be used by UGC - MSD. The statute requires banks eligible to hold UGC - MSD's funds have a main or branch bank in the county in which UGC - MSD is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. UGC - MSD has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits UGC - MSD's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. UGC - MSD has no investment policy that would further limit its investment choices.

Concentration of credit risk

State statutes place no limit on the amount UGC - MSD may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. UGC - MSD's allocation of investments as of December 31, 2016 is 100% guaranteed investment contracts secured by U.S. Treasury and Agencies.

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, UGC - MSD's deposits may not be returned to it. State statutes require UGC - MSD's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. UGC - MSD does not use designated "peak periods". All deposits were legally secured at December 31, 2016.

At December 31, 2016, UGC - MSD's carrying amount of deposits was \$2,294,408 and the bank balance was \$2,327,156. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$254,941 was covered by federal depository insurance and \$2,072,215 was collateralized with securities held by the pledging financial institutions' agents in UGC - MSD's name.

Custodial credit risk – investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, UGC - MSD will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. UGC - MSD had no investments of this type at December 31, 2016.

Note 4: Interfund Transfers

Operating transfers are as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General	Special Street Machinery	68-141f, g	\$ 0
General	Municipal Equip. Reserve	12-1, 117	50,000
General	Capital Improvements	12-1, 118	0
Waterworks	Waterworks Reserve	12-825d	38,009
Sanitation	Sanitation Reserve	12-825d	40,000
Sewer	Sewer Reserve	12-825d	<u>10,000</u>
Total			<u>\$138,009</u>

Note 5: Compensated Absences

The work week for all employees, except law enforcement personnel, shall be 12:01 AM Sunday and ending at 12:00 midnight Saturday.

Overtime is to be paid in accordance with wage and hour laws.

All full time employees shall be entitled to one full day of sick leave for each one month of work up to ninety days. Accumulated sick leave is paid to the employee upon termination of employment based on a formula that considers the employee's length of employment. The estimated liability for accrued sick leave at December 31, 2016, was \$47,006. This amount has not been recorded into the financial statement.

Accrued vacation time is determined as follows:

<u>Years of Continuous Employment</u>	<u>Accumulated</u>	<u>Maximum Accumulation</u>
0 – 10	1 day per month	12 days
11 – 19	1 ½ days per month	18 days
20 – Retirement	2 days per month	24 days

The estimated liability for accrued vacation at December 31, 2016, was \$18,003. This amount has not been recorded into the financial statement.

Note 6: General Information about the Pension Plan

Plan description: UGC participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions: K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate through March 31, 2016 with a 0% moratorium until June 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 9.18% for the fiscal year ended December 31, 2016. Contributions to the pension plan from UGC-MSD were \$22,213 for the year ended December 31, 2016.

Net Pension Liability: At December 31, 2016, UGC's proportionate share of the collective net pension liability reported by KPERS was \$1,212,701. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. UGC's proportion of the net pension liability was based on the ratio of UGC's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

Note 6: General Information about the Pension Plan (continued)

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 7: Deferred Compensation Plan

UGC – MSD employees may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or in the case of limited specific circumstances.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income that is attributable to those amounts, property, or rights, are (until paid or made available to the employee or other beneficiary) solely the property and rights of UGC – MSD (without being restricted to the provisions of benefits under the plan), subject only to the general creditors of UGC – MSD in an amount equal to the fair market value of the deferred account for each participant.

As of December 31, 2016, the market value of the amount on deposit with the plan was \$194,489.

Note 8: Contingencies

In the normal course of operations, UGC – MSD participates in various federal and state grant programs. The grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursements which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Note 9: Risk Management

UGC – MSD is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Note 10: Compliance Matters

- A. Contrary to the provisions of K.S.A. 9-1402 and K.S.A. 9-1405, deposits were not adequately secured at TBK Bank, SSB for ten days during the month of December, 2016.

Note 11: Evaluation of Subsequent Events

The organization has evaluated subsequent events through June 23, 2017, the date which the financial statement was available to be issued.

Note 12: Long-Term Debt

Changes in long-term liabilities for UGC - MSD for the year ended December 31, 2016, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:									
			\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Capital leases payable:									
Peerless 300 TPH Pugmill	2.65%	7/25/2014	189,800	7/25/2019	108,386	-	29,933	78,453	2,687
Total Contractual Indebtedness					<u>\$ 108,386</u>	<u>\$ -</u>	<u>\$ 29,933</u>	<u>\$ 78,453</u>	<u>\$ 2,687</u>

Note 12: Long-Term Debt (continued)

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

Issue	Year						Total
	2017	2018	2019	2020	2021	2022 - 2026	
Principal							
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital leases payable	28,163	31,519	18,771	-	-	-	78,453
Total Principal	<u>28,163</u>	<u>31,519</u>	<u>18,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,453</u>
Interest							
General obligation bonds	-	-	-	-	-	-	-
Capital leases payable	1,614	964	179	-	-	-	2,757
Total Interest	<u>1,614</u>	<u>964</u>	<u>179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,757</u>
Total Principal and Interest	<u>\$ 29,777</u>	<u>\$ 32,483</u>	<u>\$ 18,950</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,210</u>

**REGULATORY REQUIRED
SUPPLEMENTAL INFORMATION**

Schedule 1

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2016

Funds	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:			
General Funds:			
General	\$ 855,308	\$ 504,059	\$ (351,249)
Special Revenue Funds:			
Special street construction	75,954	20,972	(54,982)
Special parks and recreation	5,027	388	(4,639)
Bond and Interest Funds:			
Bond and interest	-	-	-
Business Funds:			
Waterworks	275,118	255,315	(19,803)
Sanitation	140,508	117,757	(22,751)
Sewer	59,081	38,658	(20,423)

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and shared revenues				
Ad valorem property tax	\$ 258,360	\$ 259,929	\$ 268,236	\$ (8,307)
Delinquent tax	43,288	8,558	-	8,558
Motor vehicle tax	55,365	58,824	54,849	3,975
Commercial MV tax	188	1,525	-	1,525
Recreational vehicle tax	538	525	619	(94)
Watercraft vehicle tax	147	3	202	(199)
16/20M vehicle tax	537	439	601	(162)
Antique tax	215	249	-	249
Intangible tax	-	-	-	-
Sales tax	67,761	62,769	77,000	(14,231)
Franchise tax	36,458	35,651	45,000	(9,349)
Local ad valorem tax reduction	-	-	-	-
City and county revenue sharing	-	-	-	-
Local alcohol liquor tax	364	-	1,450	(1,450)
Licenses and permits	2,089	1,912	3,000	(1,088)
Fines and forfeitures	684	1,633	2,000	(367)
Interest	6,949	8,632	9,000	(368)
Grant	-	-	-	-
Other operating	15,289	15,176	20,500	(5,324)
Reimbursements	11,487	1,273	8,000	(6,727)
Total Receipts	499,719	457,098	\$ 490,457	\$ (33,359)

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
General government				
Personal services	\$ 130,962	\$ 132,248	\$ 136,000	\$ (3,752)
Contractual services	27,057	29,557	30,000	(443)
Commodities	5,145	5,565	7,000	(1,435)
Capital outlay	750	759	5,000	(4,241)
Economic development appropriation	17,500	17,500	17,500	-
Total General Government	181,414	185,629	195,500	(9,871)
Police department				
Contractual services	32,802	32,808	32,808	-
Culture and recreation				
Parks and recreation	3,241	3,276	10,000	(6,724)
Highway and streets				
Personal services	69,307	78,304	70,000	8,304
Contractual services	17,032	23,157	25,000	(1,843)
Commodities	91,506	102,779	345,000	(242,221)
Capital outlay	5,186	-	25,000	(25,000)
Street lighting	22,583	28,106	27,000	1,106
Bond principal	-	-	-	-
Bond interest	-	-	-	-
Total Highway and Streets	205,614	232,346	492,000	(259,654)

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Airport				
Airport operations	-	-	-	-
Transfers				
Municipal equipment reserve fund	50,000	50,000	75,000	(25,000)
Capital improvements fund	25,000	-	50,000	(50,000)
Bond and interest fund	-	-	-	-
Special street machinery fund	-	-	-	-
Total Transfers	75,000	50,000	125,000	(75,000)
Total Expenditures	498,071	504,059	<u>\$ 855,308</u>	<u>\$ (351,249)</u>
Receipts Over (Under) Expenditures	\$ 1,648	\$ (46,961)		
Unencumbered Cash, Beginning	425,682	427,330		
Unencumbered Cash, Ending	<u>\$ 427,330</u>	<u>\$ 380,369</u>		

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Special Street Construction Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Gasoline tax	\$ 20,230	\$ 20,797	\$ 20,020	\$ 777
Expenditures				
Personal services	\$ 14,953	\$ 16,127	\$ 17,000	\$ (873)
Contractual	-	127	10,000	(9,873)
Commodities	4,916	4,718	15,000	(10,282)
Capital outlay	-	-	33,954	(33,954)
Total Expenditures	19,869	20,972	\$ 75,954	\$ (54,982)
Receipts Over (Under) Expenditures	\$ 361	\$ (175)		
Unencumbered Cash, Beginning	64,943	65,304		
Unencumbered Cash, Ending	\$ 65,304	\$ 65,129		

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Local alcohol liquor tax	\$ 364	\$ -	\$ 1,438	\$ (1,438)
Other income	-	-	-	-
Total Receipts	364	-	\$ 1,438	\$ (1,438)
Expenditures				
Commodities	\$ -	\$ 388	\$ 2,527	\$ (2,139)
Capital outlay	-	-	2,500	(2,500)
Appropriations	-	-	-	-
Total Expenditures	-	388	\$ 5,027	\$ (4,639)
Receipts Over (Under) Expenditures	\$ 364	\$ (388)		
Unencumbered Cash, Beginning	3,963	4,327		
Unencumbered Cash, Ending	\$ 4,327	\$ 3,939		

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Special assessments	\$ -	\$ -	\$ -	\$ -
Transfer from general fund	-	-	-	-
Interest	-	-	-	-
Total Receipts	-	-	\$ -	\$ -
Expenditures				
Principal	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Transfer to general fund	-	-	-	-
Total Expenditures	-	-	\$ -	\$ -
Receipts Over (Under) Expenditures	\$ -	\$ -		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Waterworks Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Receipts				
Customer charges	\$ 223,779	\$ 218,326	\$ 224,700	\$ (6,374)
Interest	7,732	7,954	8,500	(546)
Other	6,315	10,592	9,000	1,592
Total Receipts	237,826	236,872	\$ 242,200	\$ (5,328)
Expenditures				
Production:				
Personal services	\$ 14,744	\$ 16,232	\$ 20,000	\$ (3,768)
Contractual	52,799	49,291	56,000	(6,709)
Commodities	7,820	13,739	15,000	(1,261)
Total Production	75,363	79,262	91,000	(11,738)
Transmission and Distribution:				
Personal services	18,431	23,122	27,000	(3,878)
Contractual	1,284	-	2,500	(2,500)
Commodities	16,194	20,927	23,000	(2,073)
Total Transmission and Distribution	35,909	44,049	52,500	(8,451)
General and Administrative:				
Personal services	52,370	60,680	57,000	3,680
Contractual	19,999	21,985	19,000	2,985
Commodities	6,595	4,105	7,618	(3,513)
Total General and Administrative	78,964	86,770	83,618	3,152

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Waterworks Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Capital outlay	24,949	7,225	8,000	(775)
Testing	-	-	-	-
Transfer to Waterworks reserve	40,000	38,009	40,000	(1,991)
Total Expenditures	255,185	255,315	\$ 275,118	\$ (19,803)
Receipts Over (Under) Expenditures	\$ (17,359)	\$ (18,443)		
Unencumbered Cash, Beginning	139,419	122,060		
Unencumbered Cash, Ending	\$ 122,060	\$ 103,617		

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Sanitation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Under (Under)
		Actual	Budget	
Receipts				
Customer charges	\$ 106,854	\$ 107,875	\$ 116,650	\$ (8,775)
Miscellaneous revenue	1,707	500	1,500	(1,000)
Interest	850	852	1,500	(648)
Total Receipts	109,411	109,227	\$ 119,650	\$ (10,423)
Expenditures				
Personal services	\$ 44,891	\$ 49,449	\$ 48,000	\$ 1,449
Contractual	12,398	16,335	15,000	1,335
Commodities	10,994	11,973	22,000	(10,027)
Capital outlay	750	-	5,508	(5,508)
Transfer to sanitation reserve fund	40,000	40,000	50,000	(10,000)
Total Expenditures	109,033	117,757	\$ 140,508	\$ (22,751)
Receipts Over (Under) Expenditures	\$ 378	\$ (8,530)		
Unencumbered Cash, Beginning	38,958	39,336		
Unencumbered Cash, Ending	\$ 39,336	\$ 30,806		

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Sewer Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Over Under (Under)
		Actual	Budget	
Receipts				
Customer charges	\$ 41,688	\$ 41,300	\$ 44,750	\$ (3,450)
Interest	300	301	500	(199)
Other	1,397	1,320	-	1,320
Total Receipts	43,385	42,921	\$ 45,250	\$ (2,329)
Expenditures				
Personal services	\$ 22,317	\$ 18,346	\$ 25,000	\$ (6,654)
Contractual	4,733	5,141	7,500	(2,359)
Commodities	4,064	5,171	7,500	(2,329)
Capital outlay	750	-	4,081	(4,081)
Transfer to sewer reserve	10,000	10,000	15,000	(5,000)
Total Expenditures	41,864	38,658	\$ 59,081	\$ (20,423)
Receipts Over (Under) Expenditures	\$ 1,521	\$ 4,263		
Unencumbered Cash, Beginning	30,331	31,852		
Unencumbered Cash, Ending	\$ 31,852	\$ 36,115		

Schedule 2-H

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Special Street Machinery Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year ended December 31, 2015)

	Prior Year Actual	Current Year Actual
Receipts		
Transfer from general fund	\$ -	\$ -
Expenditures		
Capital outlay	\$ -	\$ 7,880
Receipts Over (Under) Expenditures	\$ -	\$ (7,880)
Unencumbered Cash, Beginning	<u>22,557</u>	<u>22,557</u>
Unencumbered Cash, Ending	<u>\$ 22,557</u>	<u>\$ 14,677</u>

Schedule 2-I

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Capital Improvements Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year ended December 31, 2015)

	Prior Year Actual	Current Year Actual
Receipts		
Transfer from general fund	\$ 25,000	\$ -
Reimbursements	<u>-</u>	<u>-</u>
Total Receipts	25,000	-
Expenditures		
Capital outlay	<u>\$ -</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 25,000	\$ -
Unencumbered Cash, Beginning	<u>428,272</u>	<u>453,272</u>
Unencumbered Cash, Ending	<u><u>\$ 453,272</u></u>	<u><u>\$ 453,272</u></u>

Schedule 2-J

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Municipal Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year ended December 31, 2015)

	Prior Year Actual	Current Year Actual
Receipts		
Transfer from general fund	\$ 50,000	\$ 50,000
Reimbursements	-	-
Total Receipts	50,000	50,000
Expenditures		
Capital outlay	\$ 67,641	\$ 44,122
Receipts Over (Under) Expenditures	\$ (17,641)	\$ 5,878
Unencumbered Cash, Beginning	393,479	375,838
Unencumbered Cash, Ending	<u>\$ 375,838</u>	<u>\$ 381,716</u>

Schedule 2-K

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Waterworks Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year ended December 31, 2015)

	Prior Year Actual	Current Year Actual
Receipts		
Transfer from waterworks fund	\$ 40,000	\$ 38,009
Sale of Land	-	-
Reimbursements	-	-
Total Receipts	40,000	38,009
Expenditures		
Capital outlay	\$ 5,252	\$ 10,482
Receipts Over (Under) Expenditures	\$ 34,748	\$ 27,527
Unencumbered Cash, Beginning	319,348	354,096
Unencumbered Cash, Ending	<u>\$ 354,096</u>	<u>\$ 381,623</u>

Schedule 2-L

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Sanitation Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year ended December 31, 2015)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Transfer from sanitation fund	\$ 40,000	\$ 40,000
Expenditures		
Capital outlay	<u>\$ -</u>	<u>\$ 17,022</u>
Receipts Over (Under) Expenditures	\$ 40,000	\$ 22,978
Unencumbered Cash, Beginning	<u>218,656</u>	<u>258,656</u>
Unencumbered Cash, Ending	<u><u>\$ 258,656</u></u>	<u><u>\$ 281,634</u></u>

Schedule 2-M

UNIFIED GREELEY COUNTY - MUNICIPAL SERVICES DISTRICT
Sewer Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2016
(With Comparative Actual Totals for the Prior Year ended December 31, 2015)

	Prior Year Actual	Current Year Actual
Receipts		
Transfer from sewer fund	\$ 10,000	\$ 10,000
Expenditures		
Capital outlay	\$ -	\$ -
Receipts Over (Under) Expenditures	\$ 10,000	\$ 10,000
Unencumbered Cash, Beginning	141,439	151,439
Unencumbered Cash, Ending	<u>\$ 151,439</u>	<u>\$ 161,439</u>